



Working Lands Alliance
A Project of American Farmland Trust

To: Appropriations Committee

Date: Mar 27, 2009

Testimony in regards to: SB 828, Sec 1w - Loss of Community Investment Act Funds

Submitted by: Jiff Martin, Project Director, Working Lands Alliance

The following testimony is submitted on behalf of the Working Lands Alliance, a statewide coalition of 200 businesses and non-profits as well as over 600 individuals committed to increasing the state's commitment to farmland preservation.

Enacted in 2005, Public Act 05-228 (also known as the Community Investment Act) was heralded as a dramatic success, creating a dedicated revenue stream to protect and preserve the unique character of Connecticut for future generations. Public willingness to accept this fee (\$30 deed recording fee) was based on the promise that this revenue would be permanently directed to farmland, open space, historic preservation, and affordable housing. 25% of these funds--approximately \$3.5 million per year--are dedicated for farmland preservation and agriculture viability programs. Governor Rell's proposal to redirect and securitize \$12m of this dedicated revenue stream in FY10 and FY11.

WLA strongly objects to the loss of Community Investment Act funds (CIA) which will deeply harm the state's ability to protect farms and support farm businesses.

- 1) CIA funds have a quarterly distribution rate that creates much needed predictability for a program dealing in time-sensitive land transactions, assuring farmland owners as well as the Federal government that funding is available. This year Connecticut has the potential of matching \$4 - \$8m in Federal Farmland Preservation funds from the 2008 Farm Bill. This opportunity to leverage state resources with federal funds has never been better! Since 2005 the program has protected 8 farms (1,022 acres) using CIA funds.
- 2) The CT Farmland Preservation Program relies on CIA funds for non-capital costs (such as surveys and appraisals) and pays for three of five full time program positions, plus support staff in the Attorney General's office to review legal contracts. Loss of CIA funds will mean a dramatic step backwards, reintroducing unnecessary delays and inefficiencies when the program is enjoying an all-time high demand from farmers wishing to sell their development rights to the state, with over 50 applications currently in the pipeline.
- 3) CIA funds have tremendous leveraging power. Since 2005 the Dept. of Agriculture has received approximately \$14.5m through the CIA, and has leveraged an additional \$7.4 million in cash from towns, farmers, and the Federal government. Furthermore, another \$2.7 million of in-kind match was leveraged from non-profits, towns, and the Federal government. This implies a TOTAL leveraging in agriculture sector of over \$10 million in just three years!!
- 4) CIA funds are used for a variety of farm business programs that would not be funded otherwise, including CT-Grown marketing, CT Farm Link, and the highly successful Agriculture Viability Grants. In just three years the Agriculture Viability Grants have been awarded to 57 producers, 18 non-profits, and 58 municipalities. Many towns have used these funds to help plan for farmland preservation. A loss of these grants means eliminating state support to towns planning for agriculture.